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TAGS: [PGOV](#) [ECON](#) [ELAB](#) [EFIN](#) [SOCI](#) [CH](#)  
SUBJECT: SHANGHAI "TWO MEETINGS" OPEN: LEADERS FACING ECONOMIC AND  
SOCIAL CHALLENGES

REF: A. (A) 08 SHANGHAI 554  
[1](#)B. (B) 08 SHANGHAI 49

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CONSULATE SHANGHAI, DEPARTMENT OF STATE.  
REASON: 1.4 (b), (d)

#### Summary -----

[1](#)1. (C) Shanghai Municipality's "Two Meetings" kicked off on January 12 with the opening session of the Shanghai Committee of the Chinese People's Political Consultative Conference (CPPCC). Reflecting on a "challenging year" in 2008 and looking ahead to 2009, the CPPCC Shanghai Committee's "Work Report" focused primarily on stabilizing the economic situation and addressing the "livelihood problems" of Shanghai's residents, particularly university students in search of jobs. The Work Report also covered the CPPCC Shanghai Committee's efforts to prepare for the 2010 Shanghai World Expo and to solicit proposals from its members to advance "intra-party democracy." In addition, the CPPCC Work Report reiterated the "Four Leads" and "Four Centers" visions for Shanghai while referring frequently to the importance of Central Government policies. End Summary.

#### Shanghai CPPCC Chairman Opens Session -----

[1](#)2. (C) Feng Guoqin, Chairman of the CPPCC Shanghai Committee, opened the CPPCC's annual meeting on January 12, the second meeting of the CPPCC's 11th session. Feng's opening and introduction of attendees were met by applause from the Shanghai Standing Committee, including Shanghai Party Secretary Yu Zhengsheng, and the 809 CPPCC Shanghai Committee members in attendance. Calling 2008 a "challenging year," Feng invoked former President Jiang Zemin's "Three Represents" and current President Hu Jintao's "Scientific Development Concept" as the guiding principles for the CPPCC Shanghai Committee's work in [1](#)2009. Feng then introduced CPPCC Shanghai Committee Secretary General Zhu Xiaoming to present the CPPCC's "Work Report." (Note: The Shanghai Municipal People's Congress (SMPC) will open its meeting on January 13. Shanghai Mayor Han Zheng is scheduled to deliver the municipal government's work report at the SMPC meeting. End Note.)

[1](#)3. (C) Note: According to a December 9 briefing by the CPPCC Shanghai Committee, 451 of the 809 members (55.7 percent) are new, and they are younger than ever before with 299 members (37 percent) born in the 1960s (see also Ref A). Feng pointed out at the December press conference that the CPPCC Shanghai Committee's members are better educated than before with 84.7

percent holding bachelor's degrees or higher and 15 percent having studied abroad. The CPPCC Shanghai Committee now includes private businessmen, lawyers, state-owned enterprises representatives, government officials, and scholars. End Note.

#### From One Challenging Year to the Next

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14. (C) Reflecting on a "challenging year" in 2008, Zhu opened the Work Report by outlining the difficulties faced in the context of the global financial crisis and China's own economic slowdown, emphasizing in his introduction that maintaining social stability (baochi le shehui hexie wending) remains a paramount concern. Zhu commented on the U.S. sub-prime mortgage crisis, saying it was one factor that threatened Shanghai's "sound and fast" (you hao you kuai) development during 2008. Aside from the economy, the CPPCC Work Report identified other priorities for the CPPCC Shanghai Committee's work in 2008, including safety and security, the 2010 Shanghai World Expo, relief efforts for the Sichuan Earthquake, revitalization of old neighborhoods, commercial objectives, and other research projects. Zhu went on to describe the CPPCC Shanghai Committee's efforts to promote "intra-party democracy" in 2008 by soliciting proposals from CPPCC Shanghai Committee members, of which he said 718 (74.6 percent) were acted on in order to solve problems.

15. (C) Looking ahead to 2009, the CPPCC Shanghai Committee's Work Report focused primarily on stabilizing the economic situation and addressing the "livelihood problems" (minsheng wenti) of Shanghai's residents. The CPPCC Shanghai Committee's Work Report identified six major areas of work for 2009: (1) advancing the "Scientific Development Concept," (2) maintaining economic stability, (3) improving livelihoods, (4) contributing to the success of the 2010 Shanghai World Expo, (5) advancing "intra-party democracy," and (6) improving the CPPCC Shanghai Committee's mechanisms for soliciting proposals. Of these six areas, Zhu clearly identified economic stability as the CPPCC Shanghai Committee's "top responsibility." The Work Report addressed improving people's livelihoods, including tackling problems in health care, education, traffic, food prices, employment, housing, social security, and income distribution. Zhu gave special mention to 2009 university graduates who will be looking for jobs, saying that the CPPCC Shanghai Committee will research ways to improve students' employment prospects.

#### Looking Ahead to 2010

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16. (C) The Work Report also covered the CPPCC Shanghai Committee's efforts to prepare for the 2010 Shanghai World Expo.

In particular, Zhu focused on proposals by CPPCC Shanghai Committee members to ensure an open and productive Expo that would attract positive attention from the international community.

17. (C) Zhu also said the CPPCC Shanghai Committee would do more to solicit and act on proposals from its members to advance its version of intra-party democracy in 2009. He offered few specifics, however, saying largely that listening to members' proposals would be "important" to the CPPCC Shanghai Committee's success.

#### The Shanghai Model Moving Forward

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18. (C) As was the case in 2008, the CPPCC Work Report reiterated the "Four Leads" and "Four Centers" visions for Shanghai (Ref B). The CPPCC Work Report included language similar to previous years on the "Four Leads" vision, calling on Shanghai to take the lead in transforming its economic growth mode, enhancing independent innovation, advancing reform and opening up, and building a "socialist harmonious society," as well as Shanghai's "Four Centers" as international economic, financial, trade, and shipping center.

¶9. (C) At the same time, Zhu referred frequently to the importance of Central Government policies during the Work Report, giving credit to "Deng Xiaoping Theory," the "Three Represents," and the "Scientific Development Concept" for Shanghai's development. Zhu made a brief mention of the upcoming 60th anniversary of the establishment of the People's Republic of China in his closing remarks.

Comment

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¶10. (C) We expect to hear more of the same from Mayor Han during the January 13 Municipal People's Congress meeting. The opening of Shanghai's "Two Meetings" on January 12 underscored officials' concerns about the global economy and its impact on Shanghai. Socio-economic conditions for average residents also remain a primary consideration for Shanghai officials as they seek to maintain social stability.

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